

118TH CONGRESS  
1ST SESSION

# H. R. 1149

To establish certain reporting and other requirements relating to telecommunications equipment and services produced or provided by certain entities, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 21, 2023

Ms. WILD (for herself and Mrs. RADEWAGEN) introduced the following bill; which was referred to the Committee on Foreign Affairs, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To establish certain reporting and other requirements relating to telecommunications equipment and services produced or provided by certain entities, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-  
2 tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Countering Untrusted  
5 Telecommunications Abroad Act”.

6 **SEC. 2. SENSE OF CONGRESS.**

7       It is the sense of Congress that—

1                   (1) the national security of the United States is  
2     affected by the telecommunications security of  
3     United States allies, partners, and other countries  
4     around the globe;

5                   (2) the importance of mobile and internet serv-  
6     ices makes such services tempting and effective tools  
7     for malign influence and economic coercion;

8                   (3) Huawei Technologies Company and ZTE  
9     Corporation (and any subsidiary or affiliate of either  
10    such entity) should not serve as a vendor of tele-  
11    communications equipment or services given the  
12    close ties to, and control over, such entities by the  
13    People's Republic of China; and

14                  (4) it is in the economic and national security  
15    interests of the United States to ensure that coun-  
16    tries around the globe use trusted telecommuni-  
17    cations equipment or services.

18 **SEC. 3. REPORT ON UNTRUSTED TELECOMMUNICATIONS**  
19                   **EQUIPMENT OR SERVICES IN COUNTRIES**  
20                   **WITH COLLECTIVE DEFENSE AGREEMENT**  
21                   **WITH UNITED STATES.**

22                  (a) REPORT.—Not later than 180 days after the date  
23    of the enactment of this Act, and annually thereafter for  
24    two years, the Secretary of State, in consultation with the  
25    Assistant Secretary of Commerce for Communications and

1 Information, shall submit to the Committees on Foreign  
2 Affairs and Energy and Commerce of the House of Rep-  
3 resentatives and the Committees on Foreign Relations and  
4 Commerce, Science, and Transportation of the Senate a  
5 report on the prevalence of untrusted telecommunications  
6 equipment or services in the networks of United States  
7 allies and partners.

8 (b) MATTERS.—The report under subsection (a) shall  
9 enumerate each United States ally or partner with respect  
10 to which the United States has entered into a collective  
11 defense agreement and include, for each such country, the  
12 following:

13 (1) A description of the presence, or lack there-  
14 of, of untrusted telecommunications equipment or  
15 services in any 5G network of the country.

16 (2) If any untrusted telecommunications equip-  
17 ment or service is present in such a network—

18 (A) an enumeration of any mobile carriers  
19 that are using the untrusted telecommuni-  
20 cations equipment or service present, and any  
21 mobile carriers that are not;

22 (B) a determination of whether the  
23 untrusted telecommunications equipment or  
24 service present is in the core or periphery of the  
25 network; and

1                             (C) any plans by the United States ally or  
2                             partner, or the individual mobile carrier, to rip  
3                             and replace the untrusted telecommunications  
4                             equipment or service present with a trusted  
5                             telecommunications equipment or service.

6                             (3) A description of any plans by network oper-  
7                             ators to use untrusted communications equipment or  
8                             services in the deployment of Open Radio Access  
9                             Network (Open RAN) technology, or any successor  
10                          to such technology, or in future 6G networks.

11 **SEC. 4. REPORT ON COVERED TELECOMMUNICATIONS**  
12                             **EQUIPMENT OR SERVICES IN UNITED STATES**  
13                             **EMBASSIES.**

14                             (a) FINDINGS.—Congress finds the following:

15                             (1) The Comptroller General of the United  
16                             States has reported that 23 percent of all tele-  
17                             communications device manufacturers of the Depart-  
18                             ment of State have at least one supplier reported to  
19                             be headquartered in the People’s Republic of China  
20                             or the Russian Federation.

21                             (2) The Comptroller General has reported that  
22                             four percent of all telecommunications contractors of  
23                             the Department of State have at least one supplier  
24                             reported to be headquartered in the People’s Repub-  
25                             lic of China.

1                   (b) REPORT.—

2                   (1) IN GENERAL.—Not later than 180 days  
3                   after the date of the enactment of this Act, the Sec-  
4                   retary of State, in consultation with the heads of  
5                   such other departments and agencies as the Sec-  
6                   retary determines necessary, shall submit to the  
7                   Committee on Foreign Affairs of the House of Rep-  
8                   resentatives and the Committee on Foreign Rela-  
9                   tions of the Senate a report containing an assess-  
10                  ment of the use of covered telecommunications  
11                  equipment or services in United States embassies  
12                  and by United States embassy staff and personnel.

13                  (2) MATTERS.—The report under paragraph  
14                  (1) shall include information on the following:

15                   (A) The status of the implementation by  
16                   the Secretary of State of the prohibition under  
17                   subsection (a)(1) of section 889 of the John S.  
18                   McCain National Defense Authorization Act for  
19                   Fiscal Year 2019 (Public Law 115–232; 132  
20                  Stat. 1917; 41 U.S.C. 3901 note prec.) with re-  
21                  spect to equipment, systems, and services used  
22                  at United States embassies, including—

23                   (i) an identification of the United  
24                  States embassies with respect to which the  
25                  Secretary has implemented such prohibi-

1    tion, and an identification of those with re-  
2    spect to which the Secretary has not imple-  
3    mented such prohibition, if any;

4    (ii) an identification of any difficulties  
5    that have delayed the implementation of  
6    such prohibition by the Secretary with re-  
7    spect to United States embassies, such as  
8    visibility into supply chains, costs of equip-  
9    ment replacement, and plans for timely re-  
10   mediation;

11    (iii) information on any waivers that  
12    have been granted to an entity under sub-  
13    section (d) of such section 889 for equip-  
14    ment, systems, or services used at United  
15    States embassies, including a justification  
16    of why each waiver was granted and any  
17    other information required pursuant to  
18    paragraph (1)(B) of such subsection; and

19    (iv) for any entity that has sought a  
20    waiver specified in clause (iii), the imple-  
21    mentation status of the phase-out plan of  
22    the entity submitted by the entity pursuant  
23    to subsection (d) of such section 889.

24    (B) Information regarding the extent to  
25    which the digital devices of United States em-

1           bassy staff and personnel are serviced by  
2           Huawei Technologies Company or ZTE Cor-  
3           poration (or any subsidiary or affiliate of either  
4           such entity), or any other entity headquartered  
5           in the People's Republic of China, and an as-  
6           essment of the likelihood of the intelligence  
7           services of the People's Republic of China gain-  
8           ing access to the contents and data of the dig-  
9           ital devices used by United States embassy per-  
10          sonnel as a result of any such servicing.

11           (C) Any other information regarding ongo-  
12          ing efforts to safeguard the communications se-  
13          curity of United States embassies.

14           (3) FORM.—The report under paragraph (1)  
15          shall be submitted in unclassified form, but may in-  
16          clude a classified annex.

17 **SEC. 5. SUPPORTING TRUSTED TELECOMMUNICATIONS.**

18           (a) IN GENERAL.—The Secretary of State, in con-  
19          sultation with the Assistant Secretary of Commerce for  
20          Communications and Information, shall select for the pro-  
21          vision of support under this section telecommunications in-  
22          frastructure projects that have the potential, as deter-  
23          mined by the Secretary, to promote the national security  
24          of the United States and meet such other requirements  
25          as the Secretary may prescribe.

1                             (b) DIPLOMATIC AND POLITICAL SUPPORT.—The  
2 Secretary of State shall provide to each project selected  
3 under subsection (a), as appropriate, diplomatic and polit-  
4 ical support, including by using the diplomatic and polit-  
5 ical influence and expertise of the Department of State  
6 to build the capacity of countries to resolve any impedi-  
7 ments to the development of the project.

8                             (c) EARLY STAGE PROJECT SUPPORT.—The Director  
9 of the United States Trade and Development Agency  
10 should provide, as appropriate, early-stage project support  
11 with respect to projects selected under subsection (a).

12 **SEC. 6. DISCLOSURE AND TRANSPARENCY OF UNTRUSTED  
13                                     COMMUNICATIONS EQUIPMENT.**

14                             (a) IN GENERAL.—Section 13 of the Securities Ex-  
15 change Act of 1934 (15 U.S.C. 78m) is amended by add-  
16 ing at the end the following new subsection:

17                             “(s) DISCLOSURE OF CERTAIN ACTIVITIES RELATED  
18 TO UNTRUSTED TELECOMMUNICATIONS EQUIPMENT.—

19                             “(1) IN GENERAL.—Each issuer required to file  
20 an annual or quarterly report under subsection (a)  
21 shall disclose in that report the information required  
22 in paragraph (2) if, during the period covered by the  
23 report, the issuer or any affiliate of the issuer used  
24 or contracted to use covered telecommunications  
25 equipment or services.

1                 “(2) INFORMATION REQUIRED.—If an issuer or  
2 affiliate of the issuer has engaged in an activity de-  
3 scribed in paragraph (1), the issuer shall disclose  
4 such activity, including a detailed description of—

5                 “(A) whether the covered telecommuni-  
6 cations equipment or services are being used in  
7 a mobile network run by the issuer, and wheth-  
8 er those equipment or services were used in the  
9 core or periphery of the network;

10                “(B) whether the covered telecommuni-  
11 cations equipment or services were used for  
12 cloud computing or data storage;

13                “(C) whether any covered telecommuni-  
14 cations equipment or services were replaced  
15 with other vendors; and

16                “(D) whether the issuer is currently engag-  
17 ing in negotiations or planning to contract to  
18 use additional covered telecommunications  
19 equipment or services.

20                “(3) NOTICE OF DISCLOSURES.—If an issuer  
21 reports under paragraph (1) that the issuer or an  
22 affiliate of the issuer has knowingly engaged in any  
23 activity described in that paragraph, the issuer shall  
24 separately file with the Commission, concurrently  
25 with the annual or quarterly report under subsection

1       (a), a notice that the disclosure of that activity has  
2       been included in that annual or quarterly report that  
3       identifies the issuer and contains the information re-  
4       quired by paragraph (2).

5                 “(4) PUBLIC DISCLOSURE OF INFORMATION.—  
6       Upon receiving a notice under paragraph (3) that an  
7       annual or quarterly report includes a disclosure of  
8       an activity described in paragraph (1), the Commis-  
9       sion shall promptly—

10                “(A) transmit the report to—

11                       “(i) the President;

12                       “(ii) the Committees on Foreign Af-  
13                       fairs, Energy and Commerce, and Finan-  
14                       cial Services of the House of Representa-  
15                       tives; and

16                       “(iii) the Committees on Foreign Re-  
17                       lations, Commerce, Science, and Transpor-  
18                       tation, and Banking, Housing, and Urban  
19                       Affairs of the Senate; and

20                “(B) make the information provided in the  
21                       disclosure and the notice available to the public  
22                       by posting the information on the Internet  
23                       website of the Commission.

24                “(5) COVERED TELECOMMUNICATIONS EQUIP-  
25                       MENT OR SERVICE DEFINED.—In this subsection,

1       the term ‘covered telecommunications equipment or  
2       service’ has the meaning given to the term ‘covered  
3       communications equipment or service’ in section 9 of  
4       the Secure and Trusted Communications Network  
5       Act of 2019 (47 U.S.C. 1608).”.

6       (b) EFFECTIVE DATE.—The amendment made by  
7       subsection (a) shall take effect with respect to reports re-  
8       quired to be filed with the Securities and Exchange Com-  
9       mission after the date that is 180 days after the date of  
10      the enactment of this Act.

11 **SEC. 7. DEFINITIONS.**

12      In this Act:

13           (1) COVERED TELECOMMUNICATIONS EQUIP-  
14       MENT OR SERVICE; UNTRUSTED TELECOMMUNI-  
15       CATIONS EQUIPMENT OR SERVICE.—The terms “cov-  
16       ered telecommunications equipment or service” and  
17       “untrusted telecommunications equipment or serv-  
18       ice” have the meaning given to the term “covered  
19       communications equipment or service” in section 9  
20       of the Secure and Trusted Communications Network  
21       Act of 2019 (47 U.S.C. 1608).

22           (2) TRUSTED TELECOMMUNICATIONS EQUIP-  
23       MENT OR SERVICE.—The term “trusted tele-  
24       communications equipment or service” means any

- 1      telecommunications equipment or service that is not
- 2      a covered telecommunications equipment or service.

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